

To the Members of the California State Senate:

I am returning Senate Bill 1892 without my signature.

This bill repeals and amends various provisions regarding State personal services contracts and establishes that if the State Personnel Board (SPB) disapproves any contract, any individual could sue for the recovery of any State funds paid to a contractor, even if the contract has been negotiated and the contractor has begun the work.

This bill adds additional and unnecessary burdens to the contracting process of the State by requiring that no work can be done until SPB, and labor organizations, have approved or disapproved the contract. It also eliminates the 30-day timeframe in which the SPB must act on personal services contracts leading to increased delays and costs in getting contracts approved and awarded.

In addition, it makes contractors liable for the amount already paid out under the contract if SPB determines that a current contract does not comply, thereby putting private contractors at risk to incur fines even though they entered into a contract in good faith and performed the work satisfactorily.

This bill creates significant delays, backlogs and eliminates competition. Such delays will unnecessarily impact essential public services and places increased costs on all state agencies, including SPB.

For the reasons stated above, I cannot support this measure.

Sincerely,

Arnold Schwarzenegger